
WTO and Agriculture

What's at Stake for Oregon?

Oregon produces agricultural goods that are exported worldwide. In 1997, the state's exports reached an estimated \$729 million, up from \$479 million in 1991. These exports help boost farm prices and income, while supporting about 14,800 jobs both on the farm and off the farm in food processing, transportation and manufacturing. Exports are important to Oregon's agricultural and state-wide economy. Measured as exports divided by farm cash receipts, the state's reliance on agricultural exports has ranged from 19% to 26% since 1991.

The top five agricultural exports in 1997 were:

- # vegetables and preparations -- \$162 million
- # wheat and products -- \$145 million
- # planting seeds -- \$141 million
- # fruits and preparations -- \$81 million
- # tree nuts -- \$21 million

World demand for these products is increasing, but so is competition among suppliers. If Oregon's farmers, ranchers, and food processors are to compete successfully for the export opportunities of the 21st century, they need *fair trade* and *fair access* to growing global markets.

Oregon Producers Benefit from Trade Agreements

Oregon is already benefitting from a number of agricultural trade agreements. While there is still much to be done, examples of new market opportunities for Oregon include:

- # Oregon, a large wheat producer, benefits under the Uruguay Round from a 33% reduction in the quantity of EU wheat receiving export subsidies by 2000. Japan is expanding its 5,530,000 ton tariff-rate quota by 35,000 tons annually from 1995 to 2000.
- # An important wine producer, Oregon benefits under the Uruguay Round as the EU reduces its tariff on U.S. wine from 30.9 cents to 19.8 cents per liter by 2000. Japan is reducing its tariff from 21.3% to 15% by 2000.
- # Under NAFTA, Mexico reduced tariffs on fresh U.S. pears, quinces, plums, and prunes to 15%, and will phase out these tariffs by 1998.
- # With nearly 15% of its farm receipts coming from cattle, Oregon benefits from the Uruguay Round with a 38% reduction in the quantity of EU beef receiving export subsidies by 2000. Japan is reducing beef tariffs from 50% to 38.5%. Korea will eliminate its beef import quota by 2001 and reduce its tariffs to 40% by 2004.

